

Date: March 27, 2014

To: Thomas J. Bonfield, City Manager

From: Donald M. Long, Solid Waste Management Director

Subject: Amendment #2 to the Contract Between the City of Durham and King Management, LLC (formerly King & Martin Properties, LLC) for the Management of the City Owned Yard Waste and Compost Facility

Executive Summary

In May 2010 the City of Durham and King Management, LLC (formerly King & Martin Properties, LLC) entered into a contract for the management of the City owned yard waste and compost facility. The first contract extension will expire on May 13, 2014 but has a renewal option for two (2) additional two (2) year terms. The City and the Contractor have agreed to an extension.

Solid Waste plans to conduct a Waste Characterization Study and upon the completion of the study, and within ninety (90) days prior to the end of this extension, the City and the Contractor will discuss possible changes to the current contract. The changes could include pricing and operational changes.

The City and King & Martin Properties have developed a positive working relationship. The services that this contractor provides are vital to the successful waste reduction efforts that the Solid Waste Department has undertaken.

Recommendation

The administration recommends that City Council authorize the City Manager to execute Amendment #2 for the Management of the City Owned Yard Waste and Compost Facility Contract between the City of Durham and King Management, LLC. This amendment extends the current contract for two additional years at a cost not to exceed \$273,156 per year.

Background

The City's current yard waste composting facility opened in January 2010. In May 2010, King & Martin Properties, LLC was selected as the City's Contractor to operate the YWCF for a period of two years. The YWCF is used by the Contractor as a storage and transfer point for yard waste. The Contractor comes to the site and grinds the accumulated yard waste in accordance with the schedule allowed by the NCDENR permit. Upon completion of grinding, the material is removed from the site and taken to a location of the Contractor's choice for other use that meets the requirements of NCDENR regulations.

The continued grinding and removal of yard waste debris is a vital service to the City of Durham and the community. Not only does it ensure that excessive yard waste is not accumulated and stored at the

facility, which would be a potential safety hazard, it also assists in meeting the City's waste reduction goals.

Issues/Analysis

The Solid Waste Management Department plans to conduct a Waste Characterization Study which could include a revaluation of yard waste tonnage entering the City's YWCF. This proposed contract amendment to extend the current contract for an additional two (2) years will allow the City time to conduct the study and analyze its results in effort to increase waste diversion that could result in alternative disposal and composting options for yard waste material, or time to get City staff trained and certified in composting. Depending on the outcome of the revaluation by the selected Consultant, and with adequate notification, the City may be able to cease using King & Martin Properties, LLC for these services.

Alternatives

One alternative is to approve Amendment #2 to the Original Contract. The City and King & Martin Properties, LLC have developed a strong working relationship.

The other alternative is to not extend the current contract. This option is not a viable option because it will prohibit the City from managing yard waste within the rules specified by the NCDENR permit due to the lack of proper equipment. This will have a devastating effect on the City's ability to collect residential yard waste, thereby substantially increasing a public health risk and the City's potential for citations and fines from NCDENR. This option will also negatively impact the environment and decrease the waste stream diversion.

Financial Impacts

No new funds are being requested for this contract extension. The department has budgeted for the contract extension within the department's current budget allocations.

SDBE Summary

Not applicable.

Attachments

Contract Amendment #2